Regulation 39-21-120. Tax Return - Signature and Filing Alternatives.

(1) Tax Return - Filing Does Not Excuse Late or Non-Payment. Nothing in this regulation shall excuse a taxpayer from paying the tax owed by the due date for payment.

(2) Document Method.

- (a) To make a return, in the case of a tax return prepared in the traditional document method, means preparing and completing by typing or writing the paper tax return document prescribed by the Executive Director, or a reproduced copy thereof, and executing a signature ascribing to the accuracy of said return, under penalty of perjury if required. The signature shall be that of the owner, general partner, agent authorized by power of attorney, a person legally acting in a fiduciary capacity or corporate official authorized to sign tax returns by the corporate board of directors.
- (b) To file a return, in the case of a tax return filed in the traditional document method, means entering in the U.S. Mail, first class postage prepaid, addressed to the main office of the Colorado Department of Revenue, the tax return document made under (a), or otherwise delivering or causing to be delivered the tax return document to the main office of the Colorado Department of Revenue.
- (3) Electronic Data Interchange Method. Under section 39-21-120(1), C.R.S., the Executive Director may adopt rules and regulations to define and implement acceptable alternates for tax return filing. The Electronic Data Interchange method shall be adopted by this regulation, and taxpayers may elect to file under this method upon the Executive Director's acceptance of an Electronic Filing Application and Agreement.
- (a) Definitions construction of terms. As used in this Regulation (39-)21-120, unless the context otherwise requires:
- (I) "Direct Communications" means a transmission via public telephone networks of a transaction set from a taxpayer computer directly with a computer maintained by the State of Colorado, with no Value Added Network involved.
- (II) "Electronic Data Interchange" or "EDI" means exchanging or transmitting standardized digital representations of written communications via electronic means including public telephone networks.
- (III) "Electronic Filing Application and Agreement" means the application for an electronic filing agreement, and the agreement document specified by the Executive Director to establish the existence of an Electronic Filing method accepted by the taxpayer and the Executive Director.
- (IV) "Signing, subscribing, or verifying" means the addition of the personal identification of the individual(s) authorized to sign tax returns for the taxpayer to the tax return

electronic transmission, or other guarantees of authenticity the Executive Director may prescribe and specify in the Electronic Filing Application and Agreement.

- (b) Returns filed by Electronic Data Interchange.
- (I) Electronic Data Interchange Implementation. The Director will specify, and the electing businesses shall complete, an Electronic Filing Application and Agreement specified by the Director, to be signed and submitted by the owner, general partner, agent authorized by power of attorney, a person legally acting in a fiduciary capacity or corporate official authorized to sign such application. Such Electronic Filing Application and Agreement may be accepted or rejected based on any history of delinquencies, failure to file or failure to file timely and other matters at the discretion of the Executive Director. Upon completion of any test period to establish transmission accuracy, and upon notification of acceptance by the Executive Director, Electronic Data Interchange (EDI) filing will constitute the official tax return for the taxpayer entity involved, supplanting traditional document methods. The Electronic Filing Application and Agreement shall specify the personal identification method used under Regulation (39-)21-120(3)(a)(IV) for signing the tax return.
- (II) The EDI transmission will be deemed received by the Executive Director at the date recorded by the log of the Department's Value Added Network to handle the transaction set. In the case of Direct Communication with the Department, the EDI tax return will be deemed received by the Executive Director upon acceptance.
- (III) Taxpayer Record Keeping. The taxpayer shall maintain records, either electronically or on paper, equivalent to, and for the period specified under the specific statutes of the tax filed under the Electronic Data Interchange Method.
- (IV) Payment for taxes due. Payments for tax returns reported on an EDI basis may be made by mailing or delivering payments accompanied by documents specified by the Executive Director, or by Electronic Funds Transfer (EFT). Payments by mail are subject to the provisions of section 39-21-119, C.R.S. Payments by Electronic Funds Transfer are deemed received by the Department on the date properly entered in the ACH network.
- (V) Suspension or Cancellation. The taxpayer may elect to temporarily suspend electronic filing under the Electronic Filing Agreement by notifying the Executive Director in writing and using the Document Method to file all tax returns which are due or become due during the suspension period. The taxpayer may resume electronic filing under the Electronic Filing Application and Agreement seventy-two hours after mailing notice of resumption to the Executive Director, or immediately upon direct telephone contact with the Executive Director's designee. Either the taxpayer or the Department may cancel this method and return to Document methods immediately upon written notification delivered to the other party. Such cancellation by the taxpayer will not extend the time for filing any return, due before, on or after the cancellation notice date or effective date.